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by the international armament firms, of which in April, 1913, Krupp has furnished the classical example, has been to spread false information as to what armament firms in other countries are doing or preparing to do."

In these ways armaments piled upon armaments and distrust accumulated upon distrust, and with each added reason for suspicion or distrust, the means of war were multiplied in all the nations concerned only to necessitate increasing armaments at home. Moreover, each added expenditure multiplied the number and power of those whose occupations and professions demanded increasing expenditures. Thus every added military expenditure is its own precursor for larger expenditures, easily augmented by the scare-monger, with his jingoistic rumors of wars. Thus in part have been created the suspicion and distrust that led inevitably to the present world-war.

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HOBSON, J. A. *Work and Wealth*. Pp. xvi, 367. Price, \$2. New York: The Macmillan Company, 1912.

Since the publication of *The Industrial System* and *The Evolution of Modern Capitalism*, American students of economics turn with keen anticipation to any contribution from the pen of Professor Hobson. In the case of the present book, those who have followed the author's previous work will be neither disappointed nor satisfied. The book promises well, opens admirably, and ends badly.

The author puts his thesis succinctly in this form (page 34): "We may state the problem provisionally in three questions; 1. What are the concrete goods and services which constitute the real national income? 2. How are these goods produced? 3. How are they consumed?" Upon the conclusions derived from an analysis of these three questions, the author bases his scheme for the rehabilitation of economic society.

The line of argument leads from a redefinition of costs and utility to a suggested scheme for the humanization of productive activities, which, according to the author, fall under the following heads: "Art, invention, professional services, organization and management, and labor-saving." The total of the productive activities the author conceives as "a process which rolls up costs into commodities" (page 34). That portion of the work which is concerned with the exposition of this contrast is clear, and though not so concise as one would like to see it, it is well-elaborated and effectively explained.

The emphasis on consumption is particularly commendable. "Ruskin," the author insists, "was a great forerunner in the humanization of economic philosophy. From a Pisgah height his mind's eye swept in quick, penetrative glances over the promised land, but he did not occupy it or furnish any clear survey." "Our purpose here is in part to perform the task indicated by Ruskin, viz., to apply to industry the vital standard of valuation, or, at any rate, to improve the instruments of vital survey" (pages 10 and 11). Thus far the science of economics has remained "distinctively mechanical and unfitted for the performance of any human interpretation of industry." "This is due to the failure of our psychological economists to tear themselves away

from the traditions of political economy, which in its very structure has made man subservient to marketable wealth" (page 7). The three defects which "disqualify current and economic science for the work of human valuation" are, first, "the exaggerated stress upon production;" second, "a standard of values which has no consistent relation to human welfare;" and third, "a mechanical conception of the economic system." The dictum of Ruskin is absolutely correct when he insists that "there is no wealth but life." Furthermore, "his insistence that all concrete wealth or money income must be estimated in relation to the vital cost of its production and the vital utility of its consumption, is the eventually accurate standpoint for a human valuation of industry" (page 9).

The most significant part of the present work involves the metrics which the author proposes to use for the measurement of human values in industry. The most unsatisfactory element in the work is the utter failure of these metrics to fulfill the purpose for which the author has created them. At the beginning of chapter four, for example, on "The Creative Factor in Production," the statement appears that "the most distinctively creative kind of human work is called art" (page 44). References to the "poet who does but sing because he must," to the "poor artist," and to the fact that artists are "more than compensated by the products of their work," represent the proximity of the author's mind to any accurate means of estimating values even in the realm where he insists the most creative element in production exists.

Entering the realm of the machine the author asserts,—“At present no doubt a very small proportion of the material which gets turned out by the industrial system contains any appreciable element of this individuality of workmanship” (page 76). Into his system, which the author described as metrical, he has thrown in this one sentence three elements of the most utter uncertainty. He speaks of “a very small proportion,” “any appreciable element,” and “individuality of workmanship” without supplying even a definition of these terms. Concluding this chapter on the machine, he says: “It is not easy to answer the two related questions—‘How far is machinery the master, how far the servant of the workers who coöperate with it!’ ‘How far does machinery aggravate, how far lighten the human costs of labor!’” (page 78)? These questions, which lie at the foundation of the author's task, he does not even attempt to answer. Again the author speaks of speeding up as “the most costly type of labor,” and raises questions regarding “a loss of liberty,” or “an encroachment upon personality” (page 86) by the industrial mechanism. Such terms are unmeasured, and for the present, at least, unmeasurable.

The reader turns from these chapters with a firm conviction that no metrics have yet been devised which will adequately span the human costs in production. The later chapters of the book, which aimed to apply the author's metrics to a reconstruction of the economic system, fall through the inadequacy of his metrics. The chapters are vague, hazy, and the points made indeterminate and unsatisfactory.

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